

THE INFLUENCE OF DEVELOPMENT AND IMPLEMENTATION OF ISLAM TOWARD THE HAPPINESS IN INDONESIA

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Abstract

This paper aims to seek at the effect of the development and practice of Islam towards the happiness in Indonesia. Development is represented by the Gross Domestic Product (GDP) per capita variable, poverty and IPM (Human Development Index). Meanwhile, Islamic religious practice is approached from the pillars of Islam and muamalah. This study uses secondary data which provided by BPS, as well as other institutions. The 33 provinces in Indonesia had been analyzed using path analysis. The study has found that religious practice in Islam directly influence the happiness in Indonesia, while IPM has an indirect effect on happiness, because it should be the variable of Islamic religious practice. The GDP per capita proved no effect on happiness either directly or indirectly. While poverty through religious practice on Islam has proved no effect on happiness in Indonesia. The study recommends that the principles of Islam to Indonesia's development must be applied in order to really be able to achieve welfare and the balance between spiritual and physical. The values of Islamic religious practice that can be used as the basic capital development because it is universal, and ensures the benefit of all (rahmatan lila'alam).

(Artikel ini bertujuan untuk melihat implikasi perkembangan praktik keagamaan Islam terhadap kebahagiaan di Indonesia. Indeks pembangunan

dilibat dari variabel perkapita Produk Domestik Bruto (PDB), kemiskinan dan IPM (Indeks Pembangunan Manusia). Sementara itu, praktik keagamaan Islam didekati dari pilar-pilar Islam dan muamalah. Penelitian ini menggunakan data sekunder yang disediakan oleh BPS, serta lembaga lainnya. Ke 33 provinsi di Indonesia dianalisis dengan menggunakan analisis jalur. Dalam studi ini penulis menemukan bahwa praktik keagamaan dalam Islam secara langsung memengaruhi kebahagiaan di Indonesia. Sementara itu IPM memiliki efek tidak langsung terhadap kebahagiaan karena harus menjadi variabel praktik keagamaan Islam. PDB per kapita terbukti tidak berpengaruh pada kebahagiaan baik secara langsung maupun tidak langsung. Sementara kemiskinan melalui praktik keagamaan terhadap Islam tidak terbukti berpengaruh pada kebahagiaan di Indonesia. Studi ini merekomendasikan agar prinsip-prinsip Islam bagi pembangunan Indonesia harus diterapkan agar benar-benar dapat mencapai kesejahteraan dan keseimbangan antara spiritual dan fisik. Nilai-nilai praktik keagamaan Islam itu bisa dijadikan modal dasar pembangunan karena bersifat universal, dan menjamin manfaat semua (rahmatan lila' alamin).

Keywords: *GDP per capita, poverty, HDI, Islamic religious practice, Happiness Index.*

Introduction

The study of development has two different dimensions. Those are between development's studies and development's economy. But then, both of them give focus on well-being as an orientation of the development. Though with prosperities' orientation, but debate happens among the experts of development theory about what the prosperity is, and how to realize it in our life.

The measurement way of well-being life, often analogous with material position of a country, which then measured by Gross Domestic Product (GDP). However, GDP could not catch all aspects of human life and that is admitted that we need a new movement to measure prosperity in a country, until the idea about happiness founded as the measurement way of development succeed, as Bhutan King's idea, Jigme

Singye Wangchuck. He introduced *Gross National Happiness* (GNH) to change *Gross National Income* (GNI) since 1970. Since that the research about happiness economy start to grow slowly but sure.

The early research about happiness economy was conducted by Easterlin¹, he observed contributing factors through happiness on his research entitled *Are The Economies' Growing Improve Human Life*. Easterlin found that in a country, people with higher income are more possible to stated their well-being feeling. Meanwhile, on international ratio, average statement of happiness is not so different with national income of people, at least to countries with enough income to fulfill basic needs of their life. Thus, although the personal income increased in USA around 1946 and 1970, an average number of happiness is not showed a long-term trend and decreased between 1960 and 1970. It means, high income is not correlated with happiness of someone. The Easterlin's discovery become foundation in the structure of Happiness Economy science and called as *Easterlin's Paradox*. Since that, the studies about happiness economy grows across until year of 2011 had been noted 20.000 articles at *Google Scholar* about happiness economy, until caused this study field become more popular than before.²

In Indonesia, for the first time on 2013 Bureau of Statistic Center (BPS) did a research that called Study of Happiness Rate Measurement/ *Studi Pengukuran Tingkat Kebahagiaan* (SPTK). The result of this study produced a number of Indonesian happiness index 2013 as 65,11 and had been increased to 68,28 in 2014 on the scale from 0 to 100. That happiness' index was average of individually happiness index number in Indonesia. The BPS' report has explained that index's score of 100 reflected a very happy condition of an individual. On the contrary, the index's number 0 reflected a very unhappy condition. So that from that

¹ R. Easterlin, *Does Economic Growth Improve the Human Lot? Nations and Households in Economic Growth* (Stanford University Press: 1974), p. 89-125.

² Bruno S.F, *Recent Developments in the Economics of Happiness* (USA: Edward Elgar Publishing, 2013).

number could conclude that Indonesian people is a happy society and even the happiness is increase from the comparison between 2013 and 2014 index.

That conclusion from the happiness index is very interesting if we try to compare with the value of macro variable in Indonesia. The economy growth of Indonesia in 2013 had been decreased just about 5,78%, meanwhile in 2012 it was 6,23%. On the same year BPS also reported that the Poverty Number on March 2013 as much 11,37% or 28,07 millions people. The vast of the poverty number stepped-up with the poverty deepness index that increased from 1,75% (March 2013) to 1,89%. Then the poverty corruptness index has increased from 0,43% (March) to 0,48%. That's mean the poverty level in Indonesia is going to be worse. Why it worse is because it fall apart far away beyond poverty line and outcome deviation of poor people is going wide. Beside that, the ratio scale showed a deviation of income between rich people and poor people in Indonesia on 2011 and that also showed a bad number of percentage around 0,41%.

What is the real contributor to reach the happiness in Indonesia is still a mistery of challenging puzzle to solve soon. As one indicator of measurement to national development, the puzzle needs to solve so that it could contribute for the future development ways. Being inspired by the research which had been done by a scholar before, where he tried to look at influence of religious life toward economy growth and happiness as a proof of Muslim habits at Ramadhan month.³ This research summarized that there is a relation of worship habits on Ramadhan month through the happiness feeling although through the economy scale on growth is negative. So, on this study the writer try to connect the happiness within Indonesia with the effect of development and Islamic application.

³ Campante, et.al, "Does Religion Affect Economic Growth and Happiness? Evidence from Ramadan", in *Faculty Research Working Paper Series of Harvard Kennedy School*, 2013.

The development process is very possible to contributed toward the happiness. Because the pure essence of the development is to create well-being as object while the happiness is a well-being subjective. On the other hand, the implementation of Islam is very possible to get observed because Islam is the vast majority number of religion in Indonesia, beside that the history notes of Indonesia also had written how much the Islam people and communities has contributed to struggle, fill out and defend the independence of Indonesia until now.

Thus, development work in this writing was observed of three main variables, such income that measured by PDRB percapita, poverty number and Human Development Index/ Indeks Pembangunan Manusia (IPM). While the Islamic implementation constructed by considering models such Islamic Human Development Index (I-HDI)⁴, Economic Islamicity Index (EI2)⁵ and Integrated Development Index (I-DEX).

Different with those models above, the writer constructed Islamic implementation model or *Islamic Religiosity Indexs* (IRI) through Islam Principle approaching and also through *maqashid shari'a* epistemology and *Tawhidi String Ration* (TSR)⁶. The five aspects in Islam Principle is ejected apart dimension by dimension. After that, the dimensions of Islam Principle is being analyzed to find the next indicator, by remembering the used data is secondary data so that the indicator get represented with the value of statistic data which had been issued by Bureau of Statistic Center (BPS) with another data from the other authorities in Indonesia (see Appendix 1).

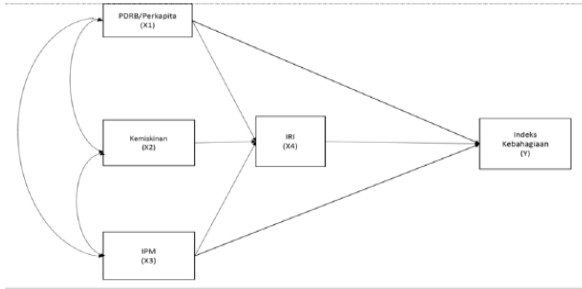
In this article the author uses *Path Analysis* method. Where Path analysis is an expansion from double linier regression method, and is more possible to analyzing data for more complex models. Thus, frame

⁴ M. H. Anto, "Introducing an Islamic human development index (I-HDI) to measure development in OIC countries," in *Islamic Economic Studies*, 19 (2), 2009, p. 69-95.

⁵ S Rahman Hosen Askari, "An Economic Islamicity Index (EI2)," *Global Economy Journal*, Vol. 10, Issue 3, Berkeley Electronic Press, 2010.

⁶ Choudhury, *Comparative economic theory – Occidental and Islamic Perspectives*, Kluwer Academic Publisher, 2002.

of mind in this research could be imagined as the following:



Picture 1: Frame of Mind

That frame of mind above showed direct connection PDRB (Produk Domestik Regional Bruto/Gross Domestic Product GDP) percapita, IRI (Islamic Religiosity Index), and IPM (Indeks Pembangunan Manusia/Human Development Index HDI) toward the happiness and also the relation of PDRB (Produk Domestik Regional Bruto/Gross Domestic Product GDP) percapita, poverty and IPM (Indeks Pembangunan Manusia/Human Development Index HDI) through IRI (Islamic Religiosity Index) toward happiness. All of data were analyzed with software program *Lesrel 8.70*. Where the data was taken from statistic report of BPS (Biro Pusat Statistik/Bureau of Statistic Center) and any other sources which had been arranged by and based on 33 provinces at Indonesia on 2014.

The Influence of PDRB percapita Toward the Happiness in Indonesia

The testing's result of coefficient path substructure-2 (see *Appendix 3*) has showed that the connection between PDRB (Produk Domestik Regional Bruto/Gross Domestic Product GDP) percapita toward happiness in Indonesia had been proved has no significant connection which after tested by t testing, obtained $t_{count} -0,18$ dan $t_{table} 2,045$ so ($t_{count} > t_{table}$), so that H_0 hypothesis acceptable, "Variable PDRB (Produk Domestik Regional Bruto/Gross Domestic Product GDP) percapita

has no influence and connection toward happiness in Indonesia". That's mean, economy works does not affect to the happiness feeling in Indonesia. This result reconfirmed Easterlin's Paradox that income has no significant influence toward happiness.

Nevertheless, many other researches denied to this fact. Easterlin's Paradox had been denied for the first time by Ruut Veenhoven and Michael Hagerty, with analyzing used new sources, they got conclusion that there is no paradox between income and happiness.⁷ Same argument also declared by Betsey Stevenson and Justin Wolfers who re-assessed Easterlin's Paradox by using a new *time-series* data. Also with Hagerty and el (2003) whom conclusion is income upgrading absolutely connected with happiness increasing even for two individual and all countries.⁸

The criticisms which addressed to Easterlin's Paradox, answered by Easterlin itself, he reconfirmed his Paradox theory by doing data analyzing toward samples from 37 countries.⁹ Yet, on the same year, Wolfers denied Easterlin's finding, so that with Richard Layard, Andrew Clark and Claudia Senik. They proved through another variable including faithful, PDB percapita has influence toward happiness.

Despite the researchs which had been done by those happiness economy scientist, the research's result on the influence of development and Islamic implementation toward happiness in Indonesia, actually in line with happiness concept in Islam perspective. Where Islam taught that treasures is not everything and although with treasure someone easier to reach happiness in the world, but the happiness is not always marked by someone who owned of many treasures. Al-Ghazali formulated about human life's purpose into two happiness that the world happiness and the hereafter happiness. According to Al-Ghazali that world happiness

⁷ M. R. Hagerty & Veenhoven, "Wealth and Happiness Revisited-Growing National Income Does Go with Greater Happiness", in *Social Indicators Research*, 2003.

⁸ Ibid.,

⁹ R. Easterlin, Laura Angelescu McVey, Malgorzata Switek, Onnicha Sawangfa and Jacqueline Smith Zweig, "The Happiness-Income Paradox Revisited," *Proceedings of the National Academy of Sciences* 107(52): 22463-22468.

lies on glory, honour, position, power, avoid of sadness and difficulty and obtain long lasting pleasure. But the world happiness is a *majazî* characteristic, while the hereafter happiness is a *hakiki* characteristic. With that result, from study about aim of human life according to Al-Ghazali above could understand that the purpose of human life is to obtain happiness, both world and the hereafter happiness, meanwhile the main and last purpose is the hereafter happiness.¹⁰

The Influence of Implementation of Islam Toward Happiness in Indonesia

The testing's result of coefficient path substructure-2 showed that the connection between implementation of Islam toward happiness in Indonesia had been proved that it has significant connection which after tested by t testing, obtained $t_{count} 19,08$ dan $t_{table} 2,045$ so $(t_{count} > t_{table})$, so that H_0 hypothesis rejected so H_a hypothesis granted, "Variable implementation of Islam has influence and connection toward happiness in Indonesia". That's mean, moslems presence and the concept of Islam in Indonesia is very contributed toward happiness in Indonesia. This result also gave support to the Research that had been done earlier by Campante on 2013 that with see the relation among incomes, the happiness in implementation of fasting on Ramadhan, he found that there is a significant relation between implementation of worship in Ramadhan and happiness, but not for income growth.¹¹

Another research by Prihantono also found the same conclusion which religious factor had given a contribution toward happiness and not just about the economy factor. With on Prihantono's research, he used almost majority indicator and variable *Gross National Happiness* (GNH) such as: Life contentment, positive emotion, negative emotion, spirituality, life standard, Good Governance, and combined with happiness indicator that presented by *Ibnu Abbas*, such as *Qolbun Syakirun* (*praised heart*), and

¹⁰ Al-Ghazali, *Miṣṣan Al-'Amal* (Kairo: Dar Al-Ma'arif, 1964).

¹¹ Campante, et.al, "Does Religion Affect..."

al-Malul Halal (the clean wealth). With comparing happiness level between society of Ngajaran village, Sidomulyo, Bambanglipuro, Bantul, DIY with Financial Ministry employees (General Directory of Calculation), Jakarta. From two groups compared meanly, which group has higher level. So it founded that meanly happiness level of Ministry of Financial's employees in Jakarta, has no significant different with happiness level of Ngajaran society.¹² On the other side, the most influential factor through happiness togetherly is *Spirituality* (implementation of Islam), while individually, for each group, the most influential indicator is negative emotion.

This result of research also suitable with the result of research which had been done by some scholars such as Clark dan Lelkes on 2005; Clark and Lelkes on 2009; Deaton on 2009; Deaton and Batu on 2013; and Diener, Tay, and Myers on 2011. Incidentally, all of them took conclusion that the *religious* persons are happier than the *unreligious* persons. The religion could help to increase the well-being of someone through the positive effects of participation grade on religious activities and other dependent social externality. So that, religion also believed has played an important role in term of serving psychological insurance for person in solving their much kinds of problems such as health shocking, ageing, also another harmful and bad condition, like extreme poverty condition.

So that, the implementation of Islam aspect as the way of life is finally going to the *falab* (prosperous) orientation. On the development approaching, that *falab* is the orientation of development in Islam perspective which *falab* include all of *object well-being* and *subject well-being* and so the happiness lies on the dimension of *subject well-being*.

¹² Mursyidi Prihantono, "Perbandingan Tingkat Kebahagiaan Antara Penduduk (Comparison of Happiness Level Between People of Ngajaran Village, Sidomulyo, Bambanglipuro, Bantul, DIY With Committee of Ministry of Financial)," *Thesis*, Islamic Studies and Inter Culture Program of Islamic Economy, Postgraduate School, University of Gadjah Mada Yogyakarta, 2014.

The Influence of Human Development Index Toward the Happiness in Indonesia

The testing's result of coefficient path substructure-2 (*see Appendix 3*) showed the connection between Human Development Index (Indeks Pembangunan Manusia/IPM) toward the happiness in Indonesia had been proved that it has no significant connection which after tested by t testing, obtained t_{count} 0,28 dan t_{table} 2,045 so ($t_{count} < t_{table}$), so that H_0 hypothesis acceptable, "Variable of Human Development Index has no significant influence and the connection toward the happiness in Indonesia". That's mean, development work that doing well from aspects such as education, health and economy that are IPM (Indeks Pembangunan Manusia / Human Development Index \bar{HDI}) composites indicator does not contributed toward the happiness in Indonesia. This finding gave support to the result of research by Blanchflower and Oswald, which observed the puzzle between Happiness Index and Human Development Index in Australia. They claimed that Australia has high level on Human Development Index (IPM/Indeks Pembangunan Manusia) but they relatively bad on happiness condition.¹³

But this finding completely different with research that had been done by Andrew Leigh and Justin Wolfers, where their research finding denied to the Blanchflower research. Based on the data of *World Values Survey*, they compared between happiness index and human development index in Australia which finally concern that there is a simple positive connection between IPM (Indeks Pembangunan Manusia/Human Development Index \bar{HDI}) and happiness, and there is more positive connection and strong between IPM (Indeks Pembangunan Manusia/Human Development Index \bar{HDI}) toward life contentment. The same pattern also found toward GDP percapita. For every cases, Australia lies quite upper the regression line, which show that Australia is quite happier

¹³ A.J. Oswald, "Happiness and Economic Performance", *Economic Journal*, 1997, 107, 1815-31.

(or more contentment) than the other countries about their IPM (Indeks Pembangunan Manusia / Human Development Index HDI).

This result also different with another research which had been done by Gürsakil¹⁴ that entitled “*Determining The Relationship Between Happiness And Human Development: Multivariate Statistical Approach*” which concluded using applied multivariate statistic to testing the relation between *Human Development Index* (HDI) and *Happy Planet Index* (HPI) which counted in for 150 countries. Empirical research finding has uncovered that there is a very strong and meaningful canonic relation between HDI and HPI.

The economy development concept from Islamic perspective like ruled by and noted in the al-Qur’an and the al-Sunnah and also interpreted by priests and scholars in Islamic Economy, extremely different with the economy development concept that had been presented by Western economy experts. Economy development concept according to Islamic perspective are the material and spiritual characteristic, including not only the development of economy, but also including the human development itself, the social development, cultural, etc. On the other word, the effects of economy development in Islam is universal, balance and has orientation to *falah* (prosperity) to build up civilized *Ummah* (society).¹⁵

So that, this result shows that development which had been done by government at past until present in Indonesia, mainly on IPM (Indeks Pembangunan Manusia / Human Development Index HDI) context has proved that it is not ideally as well as Allah SWT wanted which as said in Al-Quran and al-Hadith. Nevertheless, the measurement of development indicators such as education, health and income are not capable to be indicated of *well-being subject* as an indicator for happiness feeling.

¹⁴ Gürsakil Seveda, Dilek MURAT, “Determining The Relationship Between Happiness And Human Development: Multivariate Statistical Approach,” *The Journal of Operations Research, Statistics, Econometrics and Management Information Systems*, Uludağ University, Bursa, Vol. 3, Issue 1, 2015.

¹⁵ Joni Tamkin, “A Thought of Economic Development with Islam Essence”, *Journal Ushuluddin*, Vol. 27, 2008, p. 95.

The Influence of Poverty through Implementation of Islam Toward the Happiness in Indonesia

The testing result of coefficient path substructure-2 (*see Appendix 3*) showed the connection between poverty through implementation of Islam toward the happiness in Indonesia had been proved that it has no significant connection which after being tested by t testing, the result only obtained $t_{count} 0,05$ dan $t_{table} 2,045$ so $(t_{count} < t_{table})$, so that H_0 hypothesis acceptable, "Variable of poverty through implementation of Islam has no influence and no connection toward the happiness in Indonesia". That's mean, poverty even tough of implementation on Islamic worship does not influence the happiness feeling of people in Indonesia. This finding gave support to the Easterlin's paradox, as mentioned before. But, this finding was different with research done by some scholars, Di Tella, Macculloch and Oswald on the year 2001, who tried to analyzing data from *Eurobarometer's* survey where 264.710 people who lived in 12 Europe countries during 1975-1991 and from Public Social's survey for 26.668 people in USA during 1972-1994. They found that prosperity is very correlated with inflation and jobless, that will cause poverty¹⁶.

According to a famous modern Islamic scholar from Qatar named Yusuf Al-Qardhawi, Islam stares at poverty as a problem which need solution, even as danger which request solve and need to find the way out¹⁷. To overcome the poverty condition, Islam prefer to uses the positive treatments. On the other hand, Islam considers that wealth and properties are a gift or grace from Almighty Allah to us, so that we need to thank God, just the opposite Islam considers that poverty as a problem in our life, more even as disaster that needs to avoid. So that the development must have orientation in term of demolish the poverty.

¹⁶ Di Tella, Rafael, Robert J. MacCulloch and Andrew J. Oswald, "Preferences over Inflation and Unemployment: Evidence from Surveys of Happiness," *American Economic Review* 91(1), 2001, p. 335-341.

¹⁷ Yusuf Qardhawi, *Theology of Poverty, Basic Doctrine and Islam Solution to Poverty Problem* (Yogyakarta: Mitra Pustaka, 2002).

Another report told that Islam looks at poverty as human problem, not just economy problem, even less the poor's micro economy problem¹⁸. That's mean, all of Islam rules has connection with efforts of poverty demolition systematically.

Another research by Wibisono¹⁹ also said that Islam gives major attention on working to solve poverty problem and increasing income as well to upgrading economy development too. Working is a basic human obligation for each person where Allah, Prophets, and society will directly appreciating that working result (QS 9: 105).

This research finding has proved that poverty, although through implementation of Islam has no influent toward happiness. That's mean, the happiness itself also conditioned a standard economy life out of poverty problem. Although happiness is the measurement subject of *well-being*, but that does not mean that a happy life could become real with obeying other measuring factors such as economy, education and health.

The influence of PDRB percapita, implementation of Islam and Human Development Index collectively Toward the Happiness in Indonesia

The testing result of coefficient path substructure-2 showed the connection between PDRB (Gross Domestic Product) percapita, IPM (Human Development Index) and implementation of Islam collectively toward the happiness in Indonesia has proved that PDRB (Gross Domestic Product) percapita and IPM (Human Development Index) has no significant influent toward the happiness in Indonesia, see explanation 4.4.1 and 4.4.3. Only the implementation of Islam has a significant connection toward happiness in Indonesia. This finding gave support to research's result that had been done by Campante²⁰, to the Easterlin's

¹⁸ Maryanti Tatik, "Faktor Sosial Ekonomi yang Memengaruhi Penurunan Kemiskinan di Indonesia dalam Perspektif Islam," *Disertasi*, Trisakti University, Jakarta (not published).

¹⁹ *Ibid.*,

²⁰ Campante, et.al, "Does Religion Affect..."

paradox and the research of Blanchflower and Oswald.²¹

The basic concept of national development in Indonesia actually as mentioned on the 4th paragraph, introduction of 1945 constitution is “to protect all of nations and people of Indonesia, developing public wealthy, clevering nation’s life, also realizing world’s orderliness based on independent, eternal peaceful and social justice”. This development’s aim is as suitable as *maqashid shari’a* principles.

As the majority religion in Indonesia, perception about Islam in Indonesia is very influent by defined development’s needs. So that’s normal if the perception fluctuated time by time. According to Askari’s report, Religion could be both variables dependent and independent on a research²². So that, Islam’s condition in Indonesia will very depend on the perception of review and the purpose of the viewer itself.

Long time ago before Indonesia got defined and the colonizer from Europe came to Indonesia, Islam has showed its existence. Its entrance to Indonesia according to Ricklefs was “*the most important process in history of Indonesia, but also the most blurred one*”²³. In the colonization time, Islam has played a very important role for the people. Beside continuing modernization process through powerful institutions (Islamic Indonesian kingdoms), educational institutions (*Pesantren Jawa/Javanese* boarding schools), even also Islam has been a balancer of colonizer’s power (The Diponegoro Prince in Java island, Imam Bonjol in Sumatera island, Sultan Hasanuddin in Sulawesi island and many more).

In the struggle time of Indonesian independent process, Islam has played the most important roles. It is almost no historical notes about complaint of sentence “*Allahu Akbar*” had been shouted in every struggles (wars) to fought Japan and even Dutch colonizer in around year 1945, just like what Bung Tomo have done in Surabaya. Indeed the other

²¹ A.J. Oswald, “Happiness and Economic...”

²² S Rahman Hosen Askari, “An Economic Islamicity...”

²³ M.C. Ricklefs, *A History of Modern Indonesia*, trans. Dharmono Hardjowidjono (Yogyakarta: Gajah Mada Univ. Press, 2005), p. 3.

religious figures like KH. Hasyim Asy'ari, KH. Wahab Hasbullah and also another *kyai pesantren* (Islamic boarding school's great teacher/principle) has played role to mobilize their Islamic boarding school's students and civilians around -which obey them more than government- as struggling militants. Indonesian civil war which at first just a spontaneous and uncoordinated well struggle became regularly well coordinated.²⁴

Islam presence became more important at independent moment of Indonesia. Started from formulating the Pancasila as country basis that inspired by Islamic values to the national law construction which looked at and sourced from Islamic law. But, in the condition when Indonesia defined a new political power to substitute colonizer power, so Islam issues started to ask again. The issue of majority and minority revealed and nationalism term grew and as if it opposite *vis a vis* with Islam. Since that, Islam discourses started to be debatable, even when struggling time there is no complaint at slogan "*Allahu Akbar*", when it shouted and many Islam heroes had been died in the war zones to struggle for Indonesia.

The next development through Islam and development in Indonesia is there were some efforts to pull and put Islam into terrorism issues. A USA politician named Samuel P. Huntington has played the role in reconstructing Islamic discourse. He read political fight interstates after Cold War. The theory of some experts had argued that ideology of war among countries in Cold War including human right issues, liberal democracy practices and global economy trade/free market. One of the thinker Francis Fukuyama had a notion that the world has experienced end of history that finish Cold War and started the new era of *Post Cold War*.²⁵

²⁴ Republika Online, "Islam Hero to Fight Colonizer Bung Tomo, The Great Fighter of Surabaya, <http://www.republika.co.id/berita/nasional/politik/14/11/10/neswb1-bung-tomo-sang-pembakar-perlawanan-surabaya-bagian-1>, accessed on, 10 April 2015 time 8:44 p.m, 2014.

²⁵ Prasisko, Yongky Gigih, "The Journey of Global Islamic Terrorism Discourses To Indonesia: Discourse Practical of Hanung Bramantyo in Islam Adventure

So that the finding of this research could reclaim Islam and development in Indonesia. Some concepts in Islam mainly in the context of *maqasid shari'a* has a significant contribution on development in this country. Development succeed will not reach when we obey Islamic aspects in development.

The influence of PDRB percapita, poverty and human development index, directly or through implementation of Islam Toward the Happiness in Indonesia

The fit model of The influence of PDRB (Gross Domestic Product) percapita, poverty and human development index, directly or through the implementation of Islam toward the Happiness in Indonesia could looked from the line diagram on the picture (*see Appendix 1*) where the equation of structure on that fit model is noted as $Y = 0,9 X_3 + 0,9 X_4 + 0,6$

Where Human Development Index gave positive influence through implementation of Islam in Indonesia as 49%, which means that the level of implementation of Islam depend on government's succeed in doing development in order to increasing the human development index in Indonesia.

The implementation of Islam in Indonesia positively affects to the happiness level in Indonesia as 97% which means that the number of happiness level in Indonesia will very depend on work to increase religious awakening for people in Indonesia which majority are moslems. Meanwhile the Human Development Index positively affects toward the happiness in Indonesia through out the implementation of Islam in Indonesia as 47% which means that the development's efforts which had been done by government will reach the happiness of people if it supported by the implementation of Islam on people's life.

The fit model as explained before actually can explain a various development problems in Indonesia, mainly about relation between Islam

Through Movies," *Proceeding The 5th International Conference on Indonesian Studies: Ethnicity and Globalization*, 2013.

and development that always asked by people at present. The finding of research also gave support to the result of research which had done by Campante, the Easterlin's Paradox theory and also the research by Blancflower and Oswald, which concluded that someone's income does not influence their happiness.

This finding also suitable with the result of research which had done by some scholars such as Clark dan Lelkes on 2005; Clark dan Lelkes on 2009; Deaton on 2009; Deaton dan Batu on 2013; and Diener, Tay and Myers on 2011, whom concluded that religious people are happier than people without religion. Religion can increase well-being through positive effect of participation in religious activities and related social externalities. Religion also plays important role on serving psychology insurance for person in coping with health grievances, aging, and another harmful and hard condition, such as extreme poverty.

The holy Qur'an has signed the development process as mentioned in chapter Hud verse 61: "... It is He Who had produced you from the earth and settled you therein ..." connects with human creation as *kehalifa* (leader/vicegerent) in the world, chapter Al-Baqara verse 30: "Behold, thy Lord said to the angels: "I will create a vicegerent on earth ..." that human assigned to doing development, in order to creating the prosperity. Meanwhile, in other chapter Al-Nahl verse 97, The Almighty Allah said, "Whoever works righteousness, man or woman, and has Faith, verily, to him will We give a new Life, a life that is good and pure and We will bestow on such their reward according to the best of their actions." From this verse Yusuf Qardhawi declared that the development purpose in Islam is to creating a good life "*al-hayat at-taiyibah*".²⁶

As regard to the purpose and the development orientation, the Holy Koran has explained about *falab*. As Allah said on chapter Thâhâ (20): 64, chapter Al-Mu'minûn (23): 1, chapter Al-A'la (87): 14, and chapter Asy-Syams (91): 9. To these all four different verses, the opening

²⁶ Yusuf Qardhawi, *Theology of Poverty...*

of verse is start with word “*qad*” which means “in truth”, a deep sign of certainty. That’s means well-being is certainly happen to every believers, but with some rules that has been explained by Almighty Allah as Him said on chapter Al-Mu’minûn (23): 2-9, while on chapter Al-Mu’minûn (23): 10 -11 had explained that well-being with each moslems will reach is not only end in the world but also will reach into hereafter well-being.

Conclusion

Islamic concepts on development in Indonesia does not use well, even with majority moslems as the biggest number of followers in the world. In opposite, the fact that Islam lesson existence is always considered as a development’s resistant. Whereas the history has proved that Islam contributed so much toward the struggle to establish Indonesian nation, far way before the independent of Indonesia, in such hard time to struggle for independence, defend the independence also filled the independence through works participation in national development. The result of this research re-insisted the Islamic rules on development in Indonesia especially in well-being subjective is happiness in Indonesia.

Happiness development orientation is a new though and even very important to understood by government in Indonesia. Moreover, in 2011 General Assembly of United Nations (UN) proposed ‘people happiness’ as the new measurement to lead development’s policy, as improvement toward MDGs. That’s mean development’s indicator which we use present still has a quite big refraction in measuring level of people’s well-being.

The evidence of human development index has influenced the happiness in Indonesia after mediation with the implementation of Islam in Indonesia, had been proved that how important Islam and all of it’s concept into the development process. Government’s hard work which only measured from the composite index of health, education and economy that collected in human development index of a country, has no influence toward the people happiness, if it is not mediation with the

implementation of Islam. Thereby, the planning and strategy of national development should considers the aspect of implementation of Islamic concept, as people's majority religion, especially in Indonesia.

Some statements which often discredit Islam as a development's resistor in Indonesia are non-academic statements and did not support by a valid data and facts. So that, government should start to apply the Islamic principles in creating the development policy which will accompany toward the happiness of people in Indonesia.

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